



# Protecting Your Employee Benefits

U.S. Department of Labor  
Employee Benefits Security  
Administration

# Who are we and why are we here?

- U.S. DOL, EBSA enforces ERISA
- ERISA is the law that governs many of the benefits sponsored by private sector employers.
- Job Loss affects benefits
  - Timely action needed to protect benefits





# Health Insurance Options

- HIPAA Special Enrollment
- COBRA
- Individual Coverage
- State Risk Pool



# HIPAA Special Enrollment

- Requires a group health plan to allow an employee/spouse/dependent to enroll for coverage upon loss of other group health coverage
- Employee must request special enrollment from the other plan within 30 days of loss of coverage
- Coverage becomes effective 1<sup>st</sup> of the Month following application



# What about Pre-Existing Conditions?

## ■ HIPAA

- Limits plans to looking back only 6 months for a condition present before the start of coverage
- Limits exclusion period to 12 months forward (18 months for late enrollees)
- Exclusion period is offset by prior creditable coverage
- Need to avoid a 63 break in coverage



# COBRA

- Ability to continue group health coverage under employer's plan
  - Includes dental and vision plans
  - Excludes disability and life insurance plans
- Applies to plans in private and public sectors
- Covers plans if employer has 20 or more employees



# COBRA

- Job Loss – COBRA available for 18 months
- Participant can be charged 102% of the full cost of the insurance
- Notice to the Participant within 44 days
- Participant has 60 days to elect COBRA and then 45 days to make initial payment
- COBRA coverage is always retroactive to date coverage was terminated



# COBRA Under the American Recovery and Reinvestment Act

## ■ COBRA Premium Reduction

- Pay only 35% for up to 9 months
- Involuntary termination from 9/01/08 – 12/31/09
- Eligible for and elect COBRA
- For period of coverage starting on or after 2/17/09 – March 1 for most plans

# COBRA Under the American Recovery and Reinvestment Act

## ■ New COBRA Election Opportunity

- Involuntary termination from 9/01/08 – 12/31/09
- Didn't elect when eligible or elected and dropped coverage
- New election period: 2/17/09 – 60 days after notice from plan
- For periods of coverage on or after 2/17/09





# COBRA Under the American Recovery and Reinvestment Act

## ■ Expedited review of denials

- If the plan determines that you are not eligible for the premium reduction, you can request an expedited review of the denial.
- DOL is required to make a determination regarding your appeal within 15 business days after receiving your completed application for review.
- Appeals to DOL must be submitted on a specific form. The form will be available on [www.dol.gov/COBRA](http://www.dol.gov/COBRA) and can be submitted online or via mail or fax.



## Other Options

- Individual Coverage
  - Contact your state department of insurance for a list of insurance companies in your area
- State Risk Pool
  - Guaranteed Access for eligible individuals
- CHIPs-Children's Health Insurance Program



# Retirement Plan

- Keep plan informed of your address
- Make sure you are getting information from the plan at least annually
- Benefit Payment Rules
  - Age 65
  - Some other time specified by the plan



## What options do I have regarding my Retirement Benefits?

- Keep the funds in the old plan (and keep in touch)
- Benefit Payments
  - Rollovers to-
    - Personal IRAs
    - New Employer's plan (if allowed)
  - Direct Distributions



## Contact Information

- EBSA Benefits Advisors
  - 1-866-444-3272 toll free
  
- EBSA Website for More Information
  - [www.dol.gov/ebsa](http://www.dol.gov/ebsa)
    - Look for Brochure entitled, “Retirement and Health Care Coverage...Questions and Answers for Dislocated Workers” in English and Spanish